

competition, with its counteracting influence." Another Montreal bank began business in 1835 under the title of the *Banque du Peuple* (Bank of the People). The principal partners were Messrs. Viger, Be Witt, and Co., who were fully liable for the debts of the bank, while shares were issued to persons having no share in the management and liable only for the amount of their stock, according to the French system of partnership *en commandite*.

The movement for a bank in Upper Canada, now constituting the Province of Ontario, assumed definite shape a trifle earlier than in Lower Canada, but the first charter passed by the provincial legislature did not receive the royal assent within the period provided by the charter to give it validity, so that it became necessary to pass a new charter in 1819. The royal government again delayed action, but the Bank of Upper Canada, situated at Kingston, was finally authorized by proclamation of the royal assent on April 21, 1821, more than a year before such assent was granted for the banks of Lower Canada. The capital of the bank was originally fixed at £200,000, but this was reduced in 1823 to £100,000. The general provisions of the charter were similar to those of the banks of Lower Canada, but notes under five shillings were forbidden from the outset and the charter was to remain in force until June 1, 1848. The government subscribed for 2,000 shares of the capital at a par value of £25,000. A practical monopoly of note issues was conferred upon the bank in 1823 by an act prohibiting banks from carrying on business in the province, which did not redeem their notes in specie within its limits. The development of Upper Canada was somewhat more rapid after the establishment of the bank than before, from a combination of causes, and the capital stock actually paid in increased from £10,640 in 1823 to the full limit of £100,000 in 1830. The debts due by the bank increased from £107,598 on December 15, 1826, to £260,557 on January 1, 1831, and the notes in circulation increased during the same interval from £87,339 to £187,039. The bank encountered only the rivalry of an institution purporting to be the Bank of Upper Canada under